SEP 2 9

September 24, 1997

TO:

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FROM: E. M. McAtee

SUBJECT: **PRICING SUMMARY REPORTS UPDATE**

Attached are updated summaries on the following:

- Price Changes
- List Prices
- Private Label Pricing Analysis - Please note this report is *Confidential*.

The updates reflect:

- All companies' increase on Full Price and Savings brands.
- Forsyth Tobacco/Famous Value/AVA Private Label increase.

Private Label pricing for "Wildcatters" (other tobacco companies) will be updated as information becomes available and is validated.

Please forward any information you might obtain regarding price changes, terms, rebates, etc. for Private Label brands for any of the companies.

E. M. McAtee

cc: Mr. T. F. Fields
Mr. C. R. Hill
Ms. J. Y. Marshall
Mr. J. R. Moore
Mr. F. G. Petto
Mr. S. J. Zitta
FI

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Source: https://www.industrydocuments.ucsf.edu/docs/nxjy0000

Direct Account
Summary 1
Price Increases
(Price Per M)

Dates			Full Price	Savings	Private Label	Value 25's
Notice	Effective	Company	85/100	85/100	85/100	85/100
8/29/97	9/2/97	RJR	$65.45	$51.95	NA	$52.56
8/29/97	9/2/97	Forsyth	NA	NA	$51.95	NA
8/29/97	9/2/97	PM	$65.45	$51.95	NA	$52.56
8/29/97	9/2/97	Famous Value	NA	NA	$51.95	NA
8/29/97	9/2/97	Lorillard	$65.45	$51.95	NA	NA
8/30/97	9/2/97	B&W (BAT)	$65.45	$51.95	NA	NA
8/30/97	9/2/97	AVA	NA	NA	$50.20	NA
9/2/97	9/3/97	Liggett Commonwealth*	$65.45	$51.95	$51.95	NA

	Changes		
	From	To	Increase
Full Price 85's/100's	$61.95	$65.45	$3.50
Savings 85's/100's	$48.45	$51.95	$3.50
Private Label (RJR/PM) 85's/100's	$48.45	$51.95	$3.50
(B&W) 85's/100's	$46.70	$50.20	$3.50
(Liggett) 85's/100's	$48.45	$51.95	$3.50

	Changes		
	From	To	Increase
Value 25's (RJR/PM) 85's/100's	$49.56	$52.56	$3.00

*Reportedly increasing prices by the end of September; not yet confirmed.

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(Revised 9/24/97)

Source: https://www.industrydocuments.ucsf.edu/docs/nxjy0000

Direct Account
Summary 2
List Price Summary

Manufacturer	Category	List Price Per M	List Price Per Carton	Major Brands in Category	Comments
All	Full Price 85's/100's	$65.45	$13.09	All standard 20/200	
RJR/PM	Value 25's 85's/100's	$52.56	$13.14	Century/Players Lights	Invoice price varies based on state/local taxes.
PM/LOR	25's/200 85's/100's	$65.45	$13.09	Marlboro/Newport	8 pack/200 cigarettes per ctn.
RJR/PM	Canadian	$65.35	$13.07	Export A's (25's)	
		$72.00	$14.40	Canadian Players (25's)	
		$77.60	$15.52	Rothman (20's and 25's)	
	Savings 85's/100's	$51.95	$10.39	Doral, Magna, Monarch, Sterling, Best Value, American, Misty, GPC, Raleigh Extra, Richland 20's, Viceroy, Old Gold, Maverick Specials, Style, Pyramid, Covington Class A, Eagle 20's, Epic, Stars & Bars, Alpine, Basic, Bristol, Bucks, Cambridge, Dave's	

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Direct Account
Summary 2
List Price Summary
(Continued)

Manufacturer	Category	List Price Per M	List Price Per Carton	Major Brands in Category	Comments
Forsyth/FVB	Private Label 85's/100's	$51.95	$10.39	All Forsyth and Famous Value Brands	
AVA	Private Label 85's/100's	$50.20	$10.04	Prime, Private Stock, Summit	
Liggett	Private Label 85's/100's	$51.95	$10.39		

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SAVINGS BRANDS COMPETITIVE PRICING

Revised 9/24/97

	RJR P/L Forsyth	Prime Private Stock Summit	PM/PL	Liggett PL	Liggett Eagle Epic	Star Tobacco (Gunsmoke) (Sport) (Main Street) (Vegas)	Premier Marketing (1st Class) (Ultra Buy)	Darcon Int'l (Reno)	"Wildcatters" Common-wealth (USA Gold) (Common-wealth) (Country Value) (Sonoma)	USA Tobacco (USA)	Direct Marketing Services (US1)	Lignum-2 (Rave)	Fortune Tobacco Company (Checkers)
List	10.39	10.04	10.39	10.39	10.39	12.29	4.86	7.02	6.19	5.20	4.86(7)	4.85(8)	5.45
Terms	.34	.33	.34	.34	.34	.46	.21		.20	.19			.18
Off-Invoice/Monthly Rebate	2.50	1.00	1.17	3.42(3)	3.17	7.13							
Net Invoice	7.55	8.71	8.88	6.63	6.88	4.70	4.65	7.02	5.99	5.01	4.86	4.85	5.27
Monthly Rebate		.68	.18				.18						.50
Quarterly Rebate/Accrual			.05					.25					
Semi-Annual Rebate			.25										
Marketing Accrual	.30	.40											.30
Net Price	7.25	7.63	8.40	6.63	6.88	4.70	4.47	6.77	5.99	5.01	4.86	4.85	4.47
Optional:													
E.F.T.	.04	.05	.05	.05	.05			.10	.03				
Direct Account Programs							.47		.40(6)				
Quarterly Volume Incentive				.30	.30								
Bus. Devel./Display Accrual		.30											
Annual Volume Incentive			.31(2)										
Share of Category Incentive	.25												
Direct Account Program	.16	.12	.15			.22(5)							
Potential Net	6.80	7.16	7.89	6.28	6.53	4.48	4.00	6.67	5.56	5.01	4.86	4.85	4.39

(1) Prime, Private Stock, Summit periodic incremental couponing $1 to $1.50 or in selected regions run an additional $.40 - $1.30 off.
(2) 28¢ volume incentive. 3¢ royalty if applicable.
(3) At wholesalers discretion this amount can be split between off-invoice allowances and monthly rebates.
(4) On certain Private Label brands, Liggett previously quoted from $4.79 to $4.44.
(5) Price based on 25 cases or more. Lower quantities $5.19 per carton.
(6) Bonus rates vary based on achievement (10¢, 20¢, 30¢ and 40¢ per carton).
(7) Purchase requirement is 48,000 cartons - higher prices apply for smaller purchases.
(8) Price per carton (50 or more cartons) $4.95 (10 - 49 cartons).

*Note: Other minor brands in the marketplace net price range $4.50 to $5.50. Volume negligible at this time.

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